

LOUISIANA RECOVERY AUTHORITY

Resolution for CDBG Funding of FEMA Public Assistance Match for Local Governments

May 17, 2006

Overview: Provide for the non-federal match of all FEMA Public Assistance Grants to local and parish governments associated with Hurricanes Katrina and Rita to be paid from Community Development Block Grant funds to the extent those funds are available and these payments are legal.

EXECUTIVE SUMMARY

Hurricanes Katrina and Rita destroyed almost \$10B of public infrastructure in south Louisiana. While FEMA's Public Assistance (PA) program will fund the majority of the repairs to this infrastructure, there is a non-federal match required for most of the funding. The hurricanes not only destroyed valuable infrastructure necessary for south Louisiana communities to begin to recover, but they also devastated the financial positions and revenue streams of many local governments, leaving them unable to pay the non-federal match on FEMA PA program funds.

Recognizing the importance of this infrastructure to Louisiana's recovery and the inability of many local governments to provide their cost share for PA grants, it is important that CDBG funds be made available for providing the non-federal match for FEMA PA grants to local entities. It is urgent that potential local government PA projects be communicated to FEMA and that those projects be assigned a FEMA field project number as soon as possible.

It is important that PA repair projects be done in the most cost effective manner and with the most efficient use of resources. Further, where possible in rebuilding, projects shall consider regional solutions in rebuilding damaged infrastructure. The LRA will strongly consider allocating additional resources as necessary to complete such alternate projects.

RECOMMENDATION

It is recommended that the following resolution be adopted:

NOW, THEREFORE, BE IT RESOLVED, that the Louisiana Recovery Authority does hereby recommend that the non-federal match of all FEMA Public Assistance Grants to local and parish governments associated with Hurricanes Katrina and Rita be paid from Community Development Block Grant funds, the extent those funds are available.

BE IT FURTHER RESOLVED, that parishes shall demonstrate that their approach is the most cost effective and efficient use of the resources, and that they have considered regional solutions in rebuilding damaged infrastructure.

BE IT FURTHER RESOLVED, that the Louisiana Recovery Authority directs LRA staff to work with the State Office of Community Development to ensure that allocation of these funds to local governments adheres to the following guidelines:

- A) That the funding be provided for cases of emergency need;*
- B) That the funding be provided as match for projects eligible for FEMA Public Assistance;*
- C) That the funding be provided to parishes which have adopted the latest available base flood elevations of the FEMA Flood Recovery Guidance;*
- D) That the funding be provided to parishes or communities which have adopted, implemented, or are in the process of implementing, the new statewide building code standards adopted in the 2005 1st Extraordinary Session of the Louisiana Legislature;*
- E) That the funding be provided to communities for projects recommended through a broad community planning process;*
- F) That a project demonstrate that it is the most efficient and cost effective way to rebuild the infrastructure, or that the applicant has considered alternate methods of rebuilding to achieve the greatest efficiency of the infrastructure to serve the local as well as regional needs of the community as a result of the PA repairs or reconstruction;*
- G) That the projects receiving funding follow the best design for delivery of services in light of the population shifts and changed faces of many Louisiana communities;*
- H) That each infrastructure project must contain a mitigation plan to minimize damage in the event of future floods or hurricanes; and*
- I) That the projects have been assigned a FEMA field project number by the project officer on or before August 29, 2006.*